Cancellation of Policies by LIC

4928. SHRI BHAGWAN SHANKAR RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the amount collected by Life Insurance Corporation (LIC) due to cancellation of policies being discontinued in the mid period during each of the last three years;

(b) whether there is any proposal to make proportionate payment to the policy holders whose policies are cancelled;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (d). Nothing is accrued to the reserve under the life insurance policy which lapses without acquiring any paid-up value for non-payment of premium in time during the first 3 years of the policy, since the cost of procuring a policy and the initial expenses outweigh the premiums collected under the policy. In case the policy lapses after acquiring the paid-up value, the policy is not cancelled, but life insurance cover continues for the proportionately reduced value known as paid-up value and the same is payable at the time of claim whether by death or by maturity, together with the accrued bonuses, if any, to the policyholder or his/her nominees or legal heirs.

[*English*]

Financial Assistance to Tamil Nadu

4929. SHRI B. DEVARAJAN: Will the Minister of FINANCE be pleased to state:

(a) the amount of financial assistance sanctioned during the current financial year so far to the Government of Tamil Nadu to supplement its efforts to start nutritional noon-meal scheme and also for providing foot-wear to school going children and old ladies;

(b) whether the Government of Tamil Nadu has asked for more financial assistance for the above purpose; and

(c) if so, the decision taken by the Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) and (b). The schemes appear both in the plan and the non-plan budget of the Government of Tamil Nadu. For the plan schemes, the State Governments are given Central assistance in the form of block loan and block grant, not related to specific projects. The current year's plan outlay of Tamil Nadu is fully funded by State's own resources and Central assistances. The schemes appearing on the non-plan side are financed out of State's own resources.

No financial assistance was sought for by the Government of Tamil Nadu for the above purpose.

(c) Does not arise in view of reply to part (b) above.

[*Translation*]

Ordnance Factory, Kanpur

4930. SHRI JAGAT VIR SINGH DRONA: Will the Minister of DEFENCE be pleased to state:

(a) the details of main armaments manufactured in the Ordnance factory at Kanpur;

(b) whether the Government have entered into contracts with private companies